

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

Petition of

COX VIRGINIA TELCOM, INC.,

v.

Case No. PUC97-____

BELL ATLANTIC-VIRGINIA, INC.,

**For enforcement of interconnection agreement and
arbitration award for reciprocal compensation for
the termination of local calls to Internet service providers.**

AFFIDAVIT OF WES NEAL, COX VIRGINIA TELCOM, INC.

Wes Neal, being duly sworn, deposes and says

1. I am marketing director for Cox Virginia Telcom, Inc., formerly Cox Fibernet Commercial Services, Inc. ("Cox"). I make this Affidavit in support of Cox's Petition for Enforcement of Interconnection Agreement and Arbitration Award for Reciprocal Compensation for the Termination of Local Calls to Internet Service Providers.

2. Cox is certificated to operate as a competitive local exchange company in Virginia.

3. I participated in interconnection negotiations with Bell Atlantic-Virginia, Inc. ("Bell Atlantic"), both before and after the arbitration proceeding before the Virginia State Corporation Commission ("Commission"), Case No. PUC960104. Among these activities, I participated in a conference call that occurred on January 30, 1997.

4. Cox's initial position in interconnection negotiations and in the arbitration before the Commission was that Cox wanted bill and keep to govern the exchange of local

traffic for an initial period of twelve months. At the first year Cox and Bell Atlantic would review the exchange of local traffic. If necessary terminating most of the traffic between the two companies would then decide whether to continue bill and keep or to institute the payment of reciprocal compensation for the termination of local traffic.

5. From the inception of the negotiations, Bell Atlantic endorsed the payment of reciprocal compensation for the termination of local traffic.

6. At one point, before the arbitration before the Commission, we discussed with Bell Atlantic the likely relative balance of local traffic. We acknowledged that, with Internet traffic, the volume of local traffic would be greater coming from Bell Atlantic to Cox than the local traffic volume in the reverse direction. A Bell Atlantic representative commented that, in the face of this acknowledgment by Cox, Bell Atlantic could not understand why Cox was proposing a regime of bill and keep.

7. When asked why Bell Atlantic favored a compensation methodology that would have it make net payments to Cox, Bell Atlantic responded that this issue went well beyond the Cox-Bell Atlantic interconnection agreement.

8. After the issuance of the Commission's arbitration orders, Cox and Bell Atlantic met to finalize the actual interconnection agreement to implement those orders. At no time during those meetings did anything come to Cox's attention intimating that Bell Atlantic had changed its position and now considered local calls terminated to Internet service providers to be anything other than local traffic for purposes of reciprocal compensation for the termination of local traffic.

9. The purpose of the January 30, 1997, conference call was for Cox to provide Bell Atlantic with its forecast of the actual number of trunks Cox would need to handle traffic

coming from Bell Atlantic to Cox, and that only a few trunks would be needed for traffic flowing from Cox to Bell Atlantic. In preparation for that conference call I had with the Cox's business plans which included both traffic and revenue forecasts. The revenue forecasts assumed substantial revenues that Cox would receive from Bell Atlantic for the termination of local calls to Internet service providers served by Cox's network.

10. During the conference call we told Bell Atlantic, represented primarily by Jeff Masoner, Director of Carrier Services, that by the end of 1997, Cox would need about 200 DS-1 trunks coming from Bell Atlantic, and that only ten would be needed for traffic flowing from Cox to Bell Atlantic. We specifically explained that the disparity in traffic was due to our capturing of Internet service providers as customers. We also shared some of our revenue projections with Mr. Masoner and told him that we expected significant revenues from Bell Atlantic to compensate Cox for its termination of local calls to Internet service providers.

11. We also discussed several technical issues associated with Cox's service to Internet service providers. Foremost among these matters was whether Bell Atlantic would consider a transfer of the telephone number of a large Internet service provider to Cox or would instead use interim number portability means to route the calls to Cox's system.

12. Neither Jeff Masoner or Bell Atlantic questioned or contradicted Cox's revenue forecasts or questioned whether or not Cox was entitled to compensation for terminating local calls to Internet service providers.

13. Because of the importance of these revenues to Cox, especially given the fact that Cox has undertaken the investment and will incur additional costs associated with terminating local calls to Internet service providers, we would have been very sensitive to any comments by Bell Atlantic that would have called these revenues into question.

June 10, 1997

CITY OR COUNTY OF Henrico
COMMONWEALTH OF VIRGINIA

Subscribed and sworn to before me this 10th day of June, 1997

[sea!]

Donna L. Hodge
Notary Public

My Commission Expires: 11-30-97

#389218

ATTACHMENT 4

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

Petition of

COX VIRGINIA TELCOM, INC.,

v.

Case No. PUC97 _____

BELL ATLANTIC-VIRGINIA, INC.,

For enforcement of interconnection agreement and
arbitration award for reciprocal compensation for
the termination of local calls to Internet service providers.

AFFIDAVIT OF TOM MANOS, INFINET CO.

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

Petition of

COX VIRGINIA TELCOM, INC.,

v.

Case No. PUC97 _____

BELL ATLANTIC-VIRGINIA, INC.,

**For enforcement of interconnection agreement and
arbitration award for reciprocal compensation for
the termination of local calls to Internet service providers.**

AFFIDAVIT OF TOM MANOS, INFINET CO.

Tom Manos, being duly sworn, deposes and says

1. I am Tom Manos, President of Network Services for InfiNet Co ("InfiNet") a national Internet access provider with headquarters in Norfolk, VA. I make this Affidavit in support of Cox's Petition for Enforcement of Interconnection Agreement and Arbitration Award for Reciprocal Compensation for the Termination of Local Calls to Internet Service Providers.

2. The purpose of this affidavit is to relate how a local call from a residential or business customer of Bell Atlantic to InfiNet is processed.

3. InfiNet purchases blocks of local measured lines which have Direct Inward Dialing. This enables multiple callers to call one number and reach an open port at InfiNet's office. Services purchased by InfiNet from Bell Atlantic are tariffed services that, generally, are available to any business customer

4 Residential and business customers call InfiNet using their computer's modem (considered to be customer premises equipment) which changes the computer's digital signal to an analog signal.

5 This call goes over the local telephone lines to InfiNet. It is my understanding based on years of experience with different Regional Bell Operating Companies throughout the United States that residential or business customers with local measured service are billed by Bell Atlantic for these calls as local calls.

6 These calls terminate or leave the telephone network when the call is completed to InfiNet's modem (customer premises equipment), which converts the signal back to a digital signal.

7 The conversion of the analog signal to a digital signal initiates the Internet session. The customer logs in his or her name and password, and goes into the local server. The customer generally sees a local city home page. In the case of InfiNet's Hampton Roads customers, this is the Pilot On-Line. The customer is now connected to the Internet.

8 This Internet connection is provided on InfiNet's own customer premises equipment and private network. For example, if the customer wants to visit a web site located in another state or country, InfiNet's equipment routes the customer's signals to that site via special access facilities by special arrangements with interexchange carriers.

9 In other words, InfiNet operates a private system similar to other customers that would otherwise have high volumes of toll traffic. InfiNet's network includes a DS3 capacity special access line to its private network through arrangements with MCI Telecommunications Corporation.

June 10, 1997

Tom Manos

CITY OR COUNTY OF Norfolk

SS:

COMMONWEALTH OF VIRGINIA

Subscribed and sworn to before me this 10th day of June, 1997

[seal]

Mary V. Steakley
Notary Public

My Commission Expires: 7/31/97

#389361

Exhibit 2

RECEIVED

MAY - 5 1997

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

Federal Communications Commission
Office of Secretary

In the Matter of

Offer of Comparably Efficient
Interconnection to Providers of
Enhanced Internet Access Services

CCB Pol. 96-09

**AMENDMENT TO BELL ATLANTIC CEI PLAN
TO EXPAND SERVICE FOLLOWING MERGER WITH NYNEX**

Upon completion of the merger with NYNEX, Bell Atlantic¹ proposes to expand its enhanced Internet Access Service into the additional states in which the NYNEX Telephone Companies currently offer local telephone service.² Approval of this amendment to the approved Comparably Efficient Interconnection ("CEI") Plan for Internet Access Service is respectfully requested to enable such expansion.³ Because Internet Protocol Routing Service ("IPRS"), the principal underlying basic service in the existing Bell Atlantic jurisdictions, is not available in

¹ "Bell Atlantic," as used herein, refers to the post-merger Bell Atlantic telephone companies, which are Bell Atlantic-Delaware, Inc.; Bell Atlantic-Maryland, Inc.; Bell Atlantic-New Jersey, Inc.; Bell Atlantic-Pennsylvania, Inc.; Bell Atlantic-Virginia, Inc.; Bell Atlantic-Washington, D.C., Inc.; Bell Atlantic-West Virginia, Inc.; New York Telephone Company and New England Telephone and Telegraph Company.

² Those states are Maine, Massachusetts, New Hampshire, New York, Rhode Island, Vermont, and a small portion of Connecticut (the "NYNEX states").

³ The CEI Plan was approved in *Order*, 11 FCC Rcd 6919 (1996) (recon. pending).

the NYNEX states, Bell Atlantic will offer the service using a somewhat different architecture than in those states.⁴

Under the proposed architecture, Bell Atlantic will contract to use, under its own name, the services of an unaffiliated third party vendor to provide certain dial-up Internet access functions in the NYNEX states. These functions include, among others, connection to the Internet backbone through the customer's selected interexchange provider, browsers, help desk, the capability for customers to use electronic mail and news services available within the Internet, and billing. Bell Atlantic will provide marketing and sales functions, sublicense its software licenses to the unaffiliated third party for the purpose of providing this service, and locate the home page and other gateway screens for the service on its server.⁵ The third party will subscribe to local telecommunications services within the NYNEX states, and the end user will need to select an interexchange carrier ("IXC") for the interLATA connection, as is currently the case.⁶ End user customers may reach Bell Atlantic's Internet service via either dial-up or direct connections, as discussed below.

⁴ Eventually, Bell Atlantic will offer Internet Access Service in the NYNEX states using a new frame relay-based Information Provider Access Service. The timing of that service is still uncertain, however. It is not yet available for testing, and an illustrative tariff is not yet available. Therefore, Bell Atlantic will submit a further amendment when it plans to use that service, should CEI plans still be needed at that time. Whether or not a filing is required, Bell Atlantic will, of course, comply with all applicable CEI requirements.

⁵ Bell Atlantic will sell and market Internet Access Service both directly and through the local telephone companies in the NYNEX states, just as it is in the current jurisdictions, subject to compliance with any applicable state regulatory requirements.

⁶ The end user will select an IXC at the time he or she subscribes to the Internet Access Service.

Bell Atlantic acknowledges that the use of a third party to perform some of its enhanced service functions being marketed by Bell Atlantic does not relieve it of any of its CEI obligations. Accordingly, Bell Atlantic will fully comply with all such requirements, as set out in its original CEI Plan and herein.

For dial-up access, the end user will place a local call to the Bell Atlantic Internet hub site⁷ from either a local residence or business line or from an Integrated Services Digital Network ("ISDN") service, as shown in Figure 1.⁸ Bell Atlantic's vendor will subscribe to local telephone services -- either standard business lines or ISDN -- to receive the call.⁹ At the hub site, the call will pass through the vendor's modem pool, then to the vendor's server. Once the end user's password/ID is verified, the call will be sent into the Internet through the end user's selected IXC.¹⁰

For dedicated access, the end user will subscribe to a private line service from a local carrier. This may consist of a frame relay service at the customer's selected bit rate, as shown in Figure 2, or DS0, DS1, or DS3 special access/private line service, as shown in Figure 3. At the customer's option, Bell Atlantic will subscribe to the service for the customer. In that

⁷ A Hub Site consists of a modem capability and associated hardware and software to process the call and validate the password of the user.

⁸ ISDN access is expected to be available on or about October 1997.

⁹ The choice of a particular service depends upon service availability and the expected quantity of traffic in the particular location.

¹⁰ The end user will select an IXC at the time of registration for Bell Atlantic's Internet service.

event, Bell Atlantic will pass through to the customer the limited rate it pays for the service as part of the Internet Access Service bill.

As with dial-up access, the hub site, in conjunction with the customer's Internet browser, will provide server functions and direct the call to the IXC that the end user has selected. That IXC will then provide access into the Internet.

In providing this service, Bell Atlantic and its vendor will subscribe only to generally-available local telecommunications services as shown in Attachment 1. End users may reach the Internet Access Service through the services and facilities of any local carrier.

As shown in its initial CEI plan and as discussed above, Bell Atlantic will fully comply with all applicable CEI requirements in provision of this enhanced service. Accordingly, Bell Atlantic requests that this amendment be quickly approved.

Respectfully Submitted,


Lawrence W. Katz

Edward D. Young, III
Michael E. Glover
Of Counsel

1320 North Court House Road
Eighth Floor
Arlington, Virginia 22201
(703) 974-4862

Attorney for the Bell Atlantic
Telephone Companies

May 5, 1997

Figure 1

Dial-Up Access Call Flow Diagram

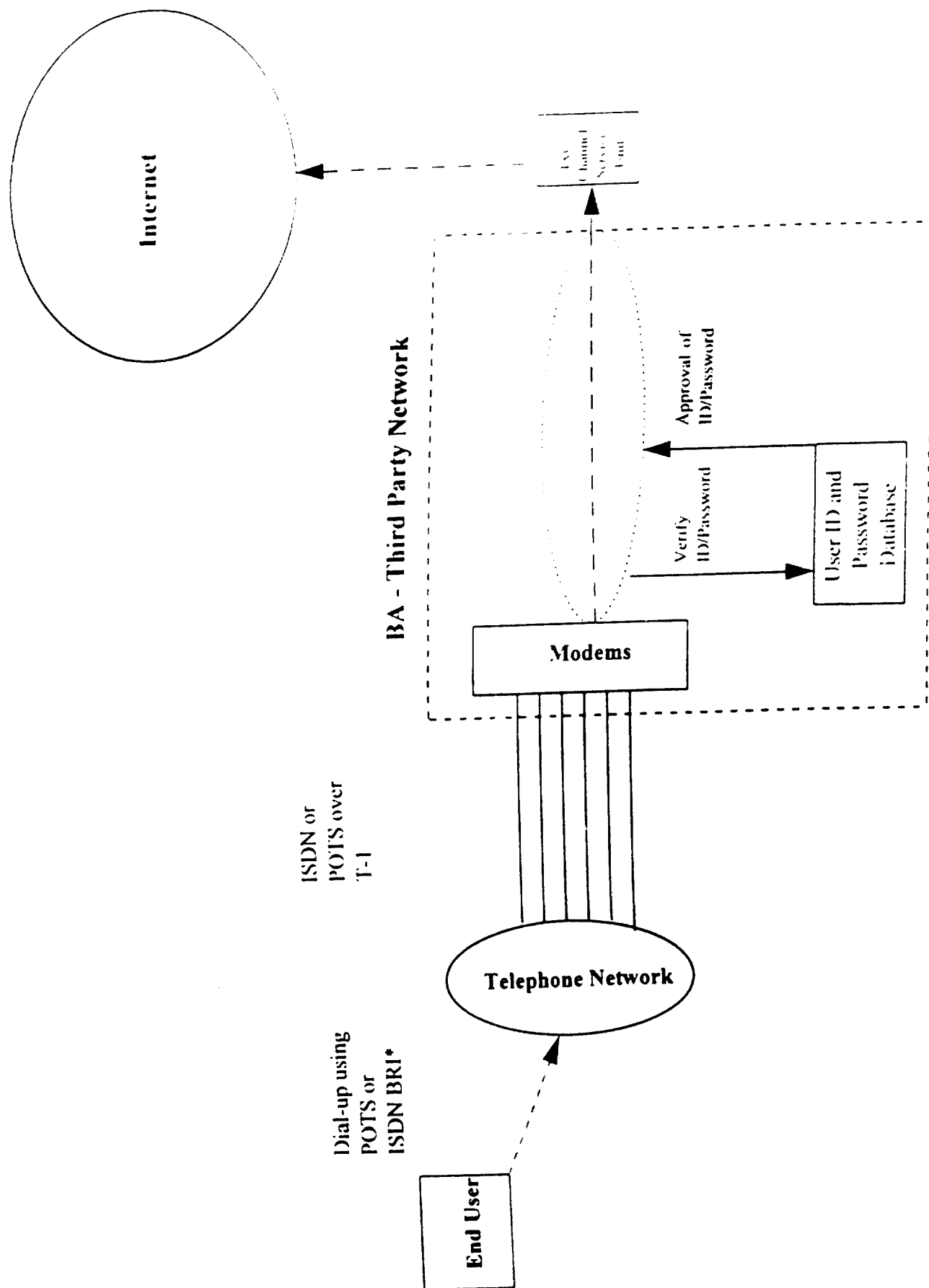


Figure 2

**Data Flow Diagram for Dedicated Access
Frame Relay Example**

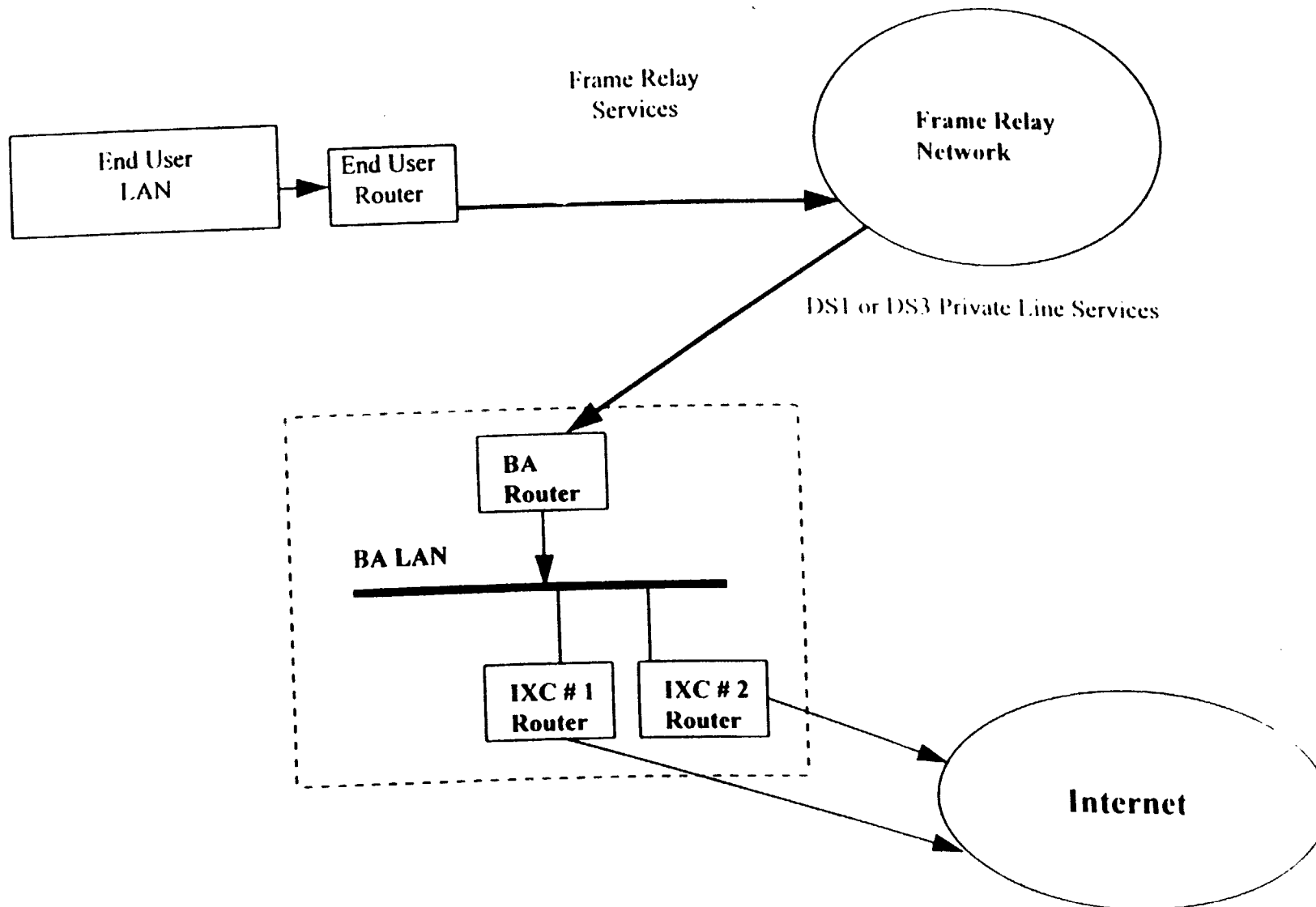
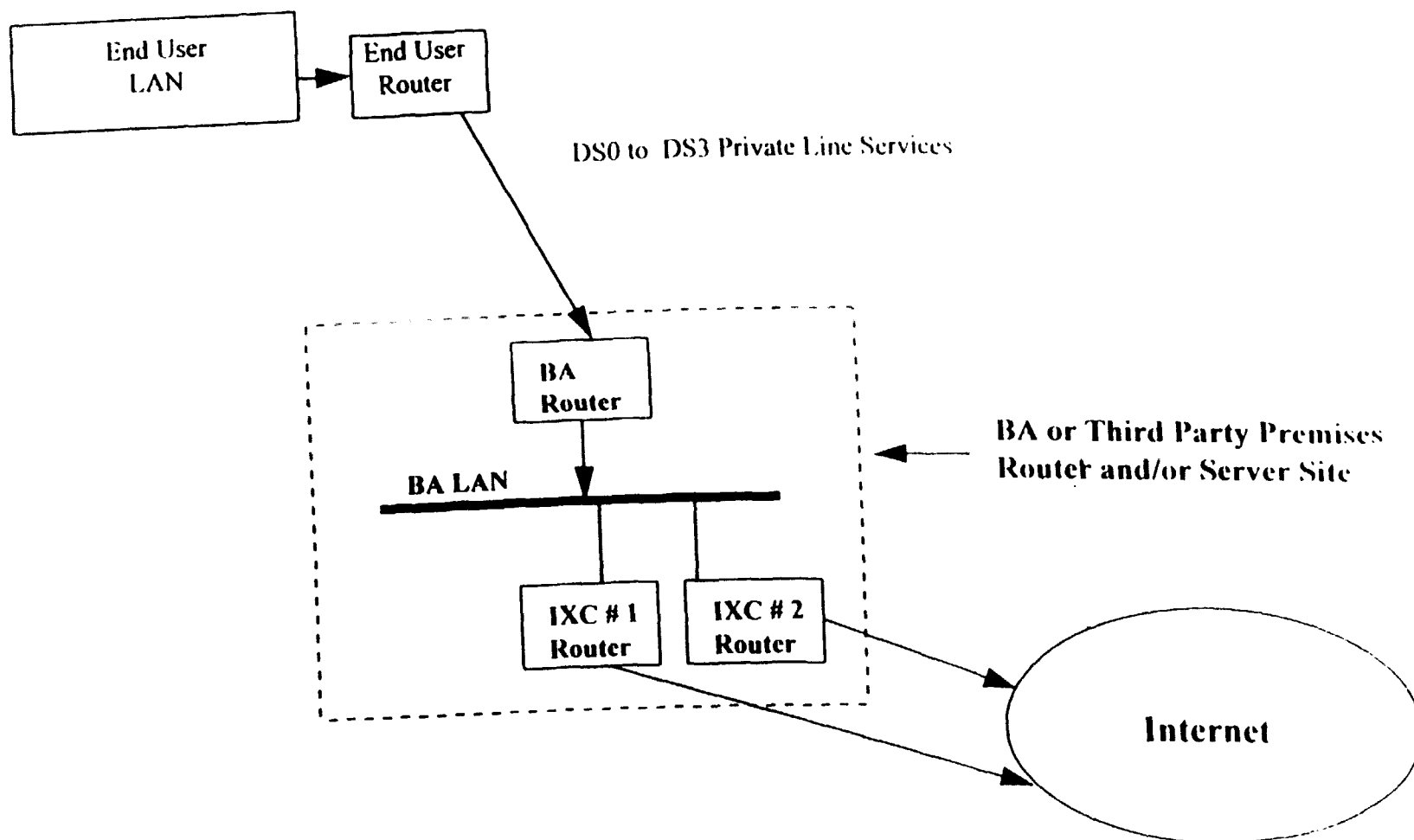


Figure 3

Data Flow Diagram for Dedicated Access Point to Point Services



Attachment 1

Bell Atlantic will use the following underlying basic services in the provisioning of its Internet Access Services.

Private Line Services

Interstate - F.C.C. No. 1, Sections 7, 19, 25, 26, 31, 68 and 80
New York Telephone Company P.S.C. No. 900, Telephone Sections 12 and 21
D.P.U. - Mass. - No. 10, Part C and No. 15, Section 7
P.S.B. - Vt. - No. 20, Part C and No. 23, Section 7
P.U.C. - Me. - No. 15, Part C and No. 17, Section 7
P.U.C. - R.I. - No. 15, Part C and No. 17, Section 7
NHPUC - No. 77, Part C
New York Telephone Company - State of Connecticut No. 2, Telephone Section 12

Frame Relay Service

Interstate - F.C.C. No. 1, Sections 17 & 31
New York Telephone Company P.S.C. No. 900, Telephone Section 21
D.P.U. - Mass. - No. 10, Part C
P.S.B. - Vt. - No. 20, Part C
P.U.C. - Me. - No. 15, Part C
P.U.C. - R.I. - No. 15, Part C
NHPUC - No. 77, Part C

ISDN Services

New York Telephone Company P.S.C. No. 900, Telephone Sections 2 & 21
D.P.U. - Mass. - No. 10, Part C
P.S.B. - Vt. - No. 20, Part C
P.U.C. - Me. - No. 15, Part C
P.U.C. - R.I. - No. 15, Part C
NHPUC - No. 77, Part C

Exchange Services and Message Rate Services

New York Telephone Company P.S.C. Nos. 900, 901 and 902
D.P.U. - Mass. - No. 10, Part A, Section 5
P.S.B. - Vt. - No. 20, Part A, Section 5
P.U.C. - Me. - No. 15, Part A, Sections 5 & 6
P.U.C. - R.I. - No. 15, Part A, Section 5
NHPUC - No. 77, Part A, Section 5
New York Telephone Company - State of Connecticut No. 2, Telephone Section 2

CERTIFICATE OF SERVICE

I, Tammi A. Foxwell, do hereby certify that on this 17th day of July, 1997, I caused copies of the foregoing 'Comments' to be sent via first class mail (postage prepaid (except where indicated as via hand-delivery)), to the following:

*The Honorable Reed E. Hundt
Chairman
Federal Communications Commission
1919 M Street, NW, Room 814
Washington, DC 20554

*The Honorable Susan Ness
Commissioner
Federal Communications Commission
1919 M Street, NW, Room 832
Washington, DC 20554

*Ms. Regina Keeney
Chief, Common Carrier Bureau
Federal Communications Commission
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*Mr. John Nakahata
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Tammi A. Foxwell

*Via Hand Delivery.